
By: **Delegates Montague, Dobson, and Doory Doory, Brown, Fulton,
Harrison, Kirk, Krysiak, McHale, Minnick, and Pielke**

Introduced and read first time: February 8, 2002

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 20, 2002

CHAPTER _____

1 AN ACT concerning

2 **Real Property - Ground Rents - Reimbursement of Expenses**

3 FOR the purpose of providing that a certain holder of a ground rent is entitled to
4 reimbursement for certain expenses incurred in ~~any action for ejection or in~~
5 preparation for any action for ejection complying with certain notice
6 requirements and certain expenses related to filing an ejection action; limiting
7 the expenses a certain holder of a ground rent is entitled to receive under
8 certain circumstances; defining a certain term; providing for the prospective
9 application of this Act; and generally relating to providing that a holder of a
10 ground rent is entitled to reimbursement for certain expenses ~~incurred in an~~
11 ~~action for ejection or in preparation for an action for ejection.~~

12 BY adding to
13 Article - Real Property
14 Section 8-402.4
15 Annotated Code of Maryland
16 (1996 Replacement Volume and 2001 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Real Property**

20 8-402.4.

21 (A) IN THIS SECTION, "GROUND RENT" MEANS A RESIDENTIAL LEASE OR
22 SUBLEASE IN EFFECT ON OR AFTER JULY 1, 2002, THAT HAS AN INITIAL TERM OF 99

1 YEARS RENEWABLE FOREVER AND CREATES A LEASEHOLD ESTATE SUBJECT TO THE
 2 PAYMENT OF AN ANNUAL LEASE AMOUNT.

3 ~~(B)~~ (1) A ~~PLAINTIFF OR~~ HOLDER OF A GROUND RENT IS ENTITLED TO
 4 REIMBURSEMENT FOR EXPENSES INCURRED ~~IN ANY ACTION FOR EJECTMENT OR IN~~
 5 ~~PREPARATION FOR ANY ACTION FOR EJECTMENT IN COMPLYING WITH THE NOTICE~~
 6 REQUIREMENTS UNDER § 8-402.2(A) OF THIS SUBTITLE, INCLUDING REASONABLE
 7 ATTORNEY'S FEES NOT TO EXCEED \$200.

8 ~~(B)~~ ~~(+)~~ (2) UPON FILING A COMPLAINT IN AN ACTION FOR EJECTMENT, THE
 9 PLAINTIFF OR HOLDER OF A GROUND RENT IS ENTITLED TO REIMBURSEMENT FOR:

10 (I) ~~RECORDING FEES~~ REASONABLE EXPENSES INCURRED, OTHER
 11 THAN THE EXPENSES DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, RELATED
 12 TO FILING THE EJECTMENT ACTION;

13 (II) REASONABLE ATTORNEY'S FEES NOT TO EXCEED \$400;

14 (III) ~~EXPENSES INCURRED IN THE PUBLICATION AND SERVICE OF~~
 15 ~~PROCESS BY PUBLICATION FOR PERSONAL SERVICE ON THE TENANT OR SERVICE~~
 16 UNDER MARYLAND RULE 2-122;

17 (IV) ~~REASONABLE FEES FOR A~~ INCURRED FOR ANY NECESSARY
 18 TITLE SEARCH AND TITLE EXAMINATION NOT TO EXCEED \$200; AND

19 (V) TAXES, INCLUDING INTEREST AND PENALTIES, ARISING AFTER
 20 THE DATE OF SALE THAT HAVE BEEN PAID BY THE PLAINTIFF OR HOLDER OF A
 21 GROUND RENT.

22 ~~(2) THE PLAINTIFF OR HOLDER OF A GROUND RENT IS ENTITLED TO~~
 23 ~~REIMBURSEMENT FOR EXPENSES INCURRED IN PREPARATION FOR ANY ACTION FOR~~
 24 ~~EJECTMENT, NOT TO EXCEED \$100.~~

25 (C) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION OR IN §
 26 8-402.2(C) OF THIS SUBTITLE, THE PLAINTIFF OR HOLDER OF A GROUND RENT IS NOT
 27 ENTITLED TO REIMBURSEMENT FOR ANY OTHER EXPENSES.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
 29 construed only prospectively and may not be applied or interpreted to have any effect
 30 on or application to any suit, action, or proceeding before the effective date of this Act.

31 SECTION 2. 3. AND BE IT FURTHER ENACTED, That this Act shall take
 32 effect ~~October~~ July 1, 2002.

